

Date: April 21, 2021

At a meeting of the Town of Brookhaven Industrial Development Agency (the “Agency”), held electronically via conference call on the 21st day of April, 2021, the following members of the Agency were:

Present: Frederick C. Braun III, Chairman  
Felix J. Grucci, Jr., Vice Chair  
Martin Callahan, Treasurer  
Ann-Marie Scheidt, Secretary  
Gary Pollakusky, Asst. Secretary  
Frank C. Trotta, Asst. Treasurer

Recused:

Excused:

Also Present: Lisa M. G. Mulligan, Chief Executive Officer  
Lori LaPonte, Chief Financial Officer  
James M. Tullo, Deputy Director  
Jocelyn Linse, Executive Assistant  
Terri Alkon, Administrative Assistant  
Amy Illardo, Administrative Assistant  
Annette Eaderesto, Esq., Counsel to the Agency  
William F. Weir, Esq., Transaction Counsel  
Howard R. Gross, Esq., Transaction Counsel

After the meeting had been duly called to order, the Chairman announced that among the purposes of the meeting was to consider and take action on the authorization of a mortgage financing in connection with a certain industrial development facility more particularly described below Agency’s (NM AMNL, L.L.C. Facility) and approving the execution and delivery of related documents.

The following resolution was duly moved, seconded, discussed and adopted with the following members voting:

Voting Aye

Voting Nay

Braun  
Grucci  
Callahan  
Scheidt  
Pollakusky  
Trotta

RESOLUTION OF THE TOWN OF BROOKHAVEN  
INDUSTRIAL DEVELOPMENT AGENCY AUTHORIZING A  
MORTGAGE FINANCING AND THE EXECUTION AND  
DELIVERY OF LOAN DOCUMENTS IN CONNECTION  
THEREWITH FOR THE NM AMNL, L.L.C. FACILITY AND  
APPROVING THE FORM, SUBSTANCE, EXECUTION AND  
DELIVERY OF SUCH RELATED DOCUMENTS

WHEREAS, by Title 1 of Article 18-A of the General Municipal Law of the State of New York, as amended, and Chapter 358 of the Laws of 1970 of the State of New York, as amended from time to time (collectively, the “**Act**”), the Town of Brookhaven Industrial Development Agency (the “**Agency**”), was created with the authority and power among other things, to assist with the acquisition of certain industrial development projects as authorized by the Act; and

WHEREAS, the Agency previously provided its assistance to LAX Hotel, LLC, a California limited liability company (the “**LAX Hotel**”) and Amneal Pharmaceuticals of New York, LLC, a limited liability company organized and existing under the laws of the State of Delaware (the “**Sublessee**”), in (i) the acquisition of an approximately 37.8 acre parcel of land located at 50 Horseblock Road, Yaphank, Town of Brookhaven, New York (the “**Land**”), upon which there is an existing 121,017 square foot building, and upon which there is proposed to be constructed a three-story approximately 352,544 square foot expansion, the components of which are: First Floor (a) an approximately 9,703 square foot first floor office and employee space, (b) an approximately 85,723 square foot manufacturing area, (c) an approximately 118,152 square foot warehousing area, (d) an approximately 25,287 square foot technical area, and Second Floor (e) an approximately 13,575 square foot office and 12,783 square foot laboratory area, and (f) an approximately 69,132 square foot manufacturing area; Third Floor (g) an approximately 18,189 square foot research and development area; and (h) the construction and equipping of an approximately 6,088 square foot on-site sewerage industrial waste treatment plant to process approximately 32,500 gallons/day of industrial waste flow and approximately 22,000 gallons/day domestic waste flow (collectively the “**Improvements**”), and the acquisition and installation of certain equipment not part of the Equipment (as such term is defined in the Equipment Lease Agreement, dated as of October 1, 2012 (the “**Equipment Lease Agreement**”), between the Agency and the Sublessee (the “**Facility Equipment**”; and, together with the Land and Improvements, the “**Company Facility**”), leased by the Agency to LAX Hotel, for further sublease by LAX Hotel to, and used by the Sublessee; and (iv) the acquisition and installation of certain Equipment potentially including, but not limited to, blenders, high share mixers, fluid bed processors, community mills, laser equipment, compression tablet pressers, D-Dusters, metal detectors, hardness testers, weight variation machines, capsulation machines, polishers, weight sorting machines, analytical scales, coding process equipment, air control systems, packing lines including fully automated vision systems, soft gelatin manufacturing equipment, homogenized mixers, soft gel capsulation machines, drying tunnels, sorting equipment, inks, laser printing machines, FVAC systems, temperature and humidity control systems, air compressors, ionized water and dust collection systems, hi-los facilities, laboratory equipment, HPLC, GC, LC, spectrometer, material management software and ERP, a stainless steel ballasted racking system, high-efficiency invertors and a solar panel system to be installed on the roof-top to include approximately 1250 solar panels

(collectively, the “**Equipment**”); and, together with the Company Facility, the “**Facility**”), which Equipment is leased by the Agency to the Sublessee and used by the Sublessee for the development, manufacturing and warehousing of generic drugs as well as other uses in connection with the operation of the Facility, including but not limited to the executive and administrative office space (collectively, the “**Project**”); and

WHEREAS, the Agency previously acquired title to the Land pursuant to a certain Bargain and Sale Deed, dated October 18, 2012 (the “**Deed**”), from LAX Hotel to the Agency and the Deed was recorded in the Suffolk County Clerk’s office; and

WHEREAS, the Agency previously acquired title to the Facility Equipment pursuant to a certain Bill of Sale, dated October 18, 2012 (the “**Facility Equipment Bill of Sale**”), from LAX Hotel to the Agency; and

WHEREAS, the Agency previously acquired title to the Equipment pursuant to a certain Equipment Bill of Sale, dated October 18, 2012 (the “**Equipment Bill of Sale**”), from the Sublessee to the Agency; and

WHEREAS, the Agency agreed to lease the Company Facility (as defined in the hereinafter defined Lease Agreement) to LAX Hotel pursuant to the Lease Agreement, dated as of October 1, 2012 (the “**Lease Agreement**”), between the Agency and LAX Hotel, such that title will remain in the Agency throughout the Lease Term (as such term is defined in the Lease Agreement); and

WHEREAS, the Agency agreed to lease the Equipment (as defined in the hereinafter defined Equipment Lease Agreement) to the Sublessee pursuant to the Equipment Lease Agreement, dated as of October 1, 2012 (the “**Equipment Lease Agreement**”), by and between the Agency and the Sublessee, and said Equipment Lease Agreement expired by its terms on August 31, 2017; and

WHEREAS, the Agency and the Sublessee entered into an Agency Compliance Agreement, dated as of October 1, 2012 (the “**Agency Compliance Agreement**”), wherein the Agency and the Sublessee set forth certain representations with respect to the Facility; and

WHEREAS, LAX Hotel subleased the Company Facility to the Sublessee upon the terms and conditions set forth in the Sublease Agreement, dated October 18, 2012 (the “**Original Sublease Agreement**”), by and between LAX Hotel, as sublessor and the Sublessee, as sublessee; and

WHEREAS, the Agency, LAX Hotel and the Sublessee entered into an Environmental Compliance and Indemnification Agreement, dated as of October 1, 2012 (the “**Environmental Compliance and Indemnification Agreement**”), pursuant to which LAX Hotel and the Sublessee made certain representations to the Agency with respect to the environmental condition of the Facility; and

WHEREAS, the Agency, LAX Hotel and the Sublessee entered into a Payment-In-Lieu-of Taxes Agreement, dated as of October 1, 2012 (the “**PILOT Agreement**”), pursuant

to which the Agency provided provision for payments-in-lieu-of-taxes and such assessments by LAX Hotel and the Sublessee; and

WHEREAS, the Agency, LAX Hotel and the Sublessee entered into a Recapture Agreement, dated as of October 1, 2012 (the “**Recapture Agreement**”), pursuant to which the Agency has the right to recapture certain economic benefits and assistance granted to LAX Hotel and the Sublessee upon the terms and conditions set forth in the Recapture Agreement; and

WHEREAS, the Agency previously consented to the assignment of the Facility by LAX Hotel to NM AMNL, L.L.C., a California limited liability company (the “**Company**”), pursuant to the terms of an Assignment, Assumption and Amendment Agreement, dated as of March 3, 2021 (the “**Assignment and Assumption Agreement**”), by and among the Agency, LAX Hotel, the Company and the Sublessee; and

WHEREAS, the Lease Agreement was assigned by LAX Hotel to the Company pursuant to a certain Assignment and Assumption of Lease Agreement, dated March 3, 2021 (the “**Assignment of Lease Agreement**”), by and between LAX Hotel and the Company, and consented to by the Agency; and

WHEREAS, Original PILOT Agreement, the Original Recapture Agreement, and the Original Environmental Compliance and Indemnification Agreement were amended pursuant to the Assignment and Assumption Agreement; and

WHEREAS, the Company further requested that the Agency consent to enter into a financing with 3650 Real Estate Investment Trust 2 LLC, or such other lender as may be determined (the “**Lender**”) with respect to the Facility in the principal amount not to exceed \$80,000,000 (the “**Loan**”); and

WHEREAS, as security for such Loan being made to the Company by the Lender, the Company submitted a request to the Agency that it join with the Company in executing and delivering to the Lender one or more mortgages, an Agency Estoppel Agreement, dated a date to be determined and such other loan documents, satisfactory to the Agency, upon advice of counsel, in both form and substance, as may be reasonably requested by the Lender (the “**Loan Documents**”); and

WHEREAS, the Company requested the Agency’s financial assistance in the form of exemptions from mortgage recording taxes for one or more mortgages (the “**Mortgages**”), securing an amount not to exceed \$80,000,000, in connection with the financing of the acquisition, construction and equipping of the Facility and any future financing, refinancing or permanent financing of the costs of the acquisition, construction and equipping of the Facility; and

WHEREAS, the Agency, by resolution duly adopted on February 22, 2021 (the “**Assignment Authorizing Resolution**”), decided to proceed under the provisions of the Act; and

WHEREAS, in connection with the request by the Company for the Agency's financial assistance in connection with the Loan, a public hearing (the "**Hearing**") was held on February 22, 2021, so that all persons with views in favor of or opposed to either the financial assistance contemplated by the Agency could be heard; and

WHEREAS, the Agency contemplates that it will provide exemptions from mortgage recording taxes, to the extent allowed by law, for one or more mortgages securing the principal amount presently estimated to be \$75,000,000 but not to exceed \$80,000,000 corresponding to mortgage recording tax exemptions presently estimated to be \$562,500 but not to exceed \$600,000, in connection with the financing or refinancing of the acquisition, renovation and equipping of the Facility and any future financing, refinancing or permanent financing of the costs of acquiring, renovating and equipping the Facility; and

WHEREAS, the Act authorizes and empowers the Agency to promote, develop, encourage and assist projects such as the Facility and to advance the job opportunities, health, general prosperity and economic welfare of the people of the State of New York; and

WHEREAS, the Company agrees to indemnify the Agency against certain losses, claims, expenses, damages and liabilities that may arise in connection with the transactions contemplated by the financing of the Facility and the continued leasing and subleasing of the Facility.

NOW, THEREFORE, BE IT RESOLVED by the Agency (a majority of the members thereof affirmatively concurring) as follows:

Section 1. The Agency hereby finds and determines:

(a) By virtue of the Act, the Agency has been vested with all powers necessary and convenient to carry out and effectuate the purposes and provisions of the Act and to exercise all powers granted to it under the Act; and

(b) The Facility constitutes a "project", as such term is defined in the Act; and

(c) The Facility preserves the public purposes of the Act by increasing the number of private sector jobs in the Town of Brookhaven; and

(d) The financing or refinancing of the acquisition, renovation and equipping of the Facility will promote and maintain the job opportunities, health, general prosperity and economic welfare of the citizens of the Town of Brookhaven, Suffolk County and the State of New York and improve their standard of living and thereby serve the public purposes of the Act; and

(e) The financing or refinancing of the acquisition, renovation and equipping of the Facility as contemplated in this resolution is reasonably necessary to maintain the competitive position of the Company in its industry; and

(f) Based upon representations of the Company and counsel to the Company, the Facility continues to conform with the local zoning laws and planning regulations of the

Town of Brookhaven and all regional and local land use plans for the area in which the Facility is located; and

(g) It is desirable and in the public interest for the Agency to assist in the financing or refinancing of the acquisition, construction and equipping of the Facility; and

(h) The Loan Documents will be effective instruments whereby the Agency and the Company agree to secure the Loan and assign to the Lender their respective rights under the Lease Agreement (except the Agency's Unassigned Rights as defined therein).

Section 2. In consequence of the foregoing, the Agency hereby determines to: (i) grant a mortgage on and security interests in and to the Facility pursuant to the Loan Documents, and (ii) execute, deliver and perform the Loan Documents to which the Agency is a party to which the Agency is a party, as may be necessary or appropriate to effect the Loan or any subsequent refinancing of the Mortgages.

Section 3. Subject to the provisions of this resolution and the Lease Agreement, the Agency is hereby authorized to do all things necessary or appropriate for the execution, delivery and performance of the Loan Documents and Mortgage, and such other related documents as may be necessary or appropriate to effect the Loan, or any subsequent refinancing of the Loan, and all acts heretofore taken by the Agency with respect to such financing or refinancing are hereby approved, ratified and confirmed.

Section 4. Subject to the provisions of this resolution and the Lease Agreement, the Agency hereby authorizes and approves the following economic benefits to be granted to the Company in the form of exemptions from mortgage recording taxes, to the extent allowed by law, for one or more mortgages securing the principal amount presently estimated to be \$75,000,000 but not to exceed \$80,000,000, corresponding to mortgage recording tax exemptions presently estimated to be \$562,500 but not to exceed \$600,000, in connection with the financing or refinancing of the acquisition, renovation and equipping of the Facility and any future financing, refinancing or permanent financing of the costs of acquiring, renovating and equipping of the Facility.

Section 5.

(a) Subject to the provisions of this resolution and the Lease Agreement; the Chairman, Chief Executive Officer, and all other members of the Agency are hereby authorized, on behalf of the Agency, to execute and deliver the Mortgage and the Loan Documents, together with such other related documents as may be, in the judgment of the Chairman and Agency Counsel, necessary or appropriate to effect the transactions contemplated by this resolution (hereinafter collectively called the "**Agency Documents**"). The execution thereof by the Chairman, Chief Executive Officer, or any member of the Agency shall constitute conclusive evidence of such approval; and

(b) the Chairman, Chief Executive Officer, and any member of the Agency are further hereby authorized, on behalf of the Agency, to designate any additional authorized representatives of the Agency.

Section 6. Subject to the provisions of this resolution and the Lease Agreement, the officers, employees and agents of the Agency are hereby authorized and directed for and in the name and on behalf of the Agency to do all acts and things required or provided for by the provisions of the Agency Documents, and to execute and deliver all such additional certificates, instruments and documents, pay all such fees, charges and expenses and to do all such further acts and things as may be necessary or, in the opinion of the officer, employee or agent acting, desirable and proper to effect the purposes of the foregoing resolution and to cause compliance by the Agency with all of the terms, covenants and provisions of the Agency Documents binding upon the Agency.

Section 7. Any expenses incurred by the Agency with respect to the financing or refinancing of the Facility shall be paid by the Company. The Company has agreed to pay such expenses and further shall agree to indemnify the Agency, its members, directors, employees and agents and hold the Agency and such persons harmless against claims for losses, damage or injury or any expenses or damages incurred as a result of action taken by or on behalf of the Agency in good faith with respect to the financing or refinancing of the Facility.

Section 8. The provisions of this resolution shall continue to be effective for one year from the date hereof, whereupon the Agency may, at its option, terminate the effectiveness of this Resolution (except with respect to the matters contained in Section 7 hereof).

Section 9. This resolution shall take effect immediately.





Date: February 10, 2021

At a meeting of the Town of Brookhaven Industrial Development Agency (the “Agency”), held electronically via conference call on the 10th day of February, 2021, the following members of the Agency were:

Present: Frederick C. Braun III, Chairman  
Felix J. Grucci, Jr., Vice Chair  
Martin Callahan, Treasurer  
Ann-Marie Scheidt, Secretary  
Gary Pollakusky, Asst. Secretary  
Frank C. Trotta, Asst. Treasurer

Recused:

Excused:

Also Present: Lisa M. G. Mulligan, Chief Executive Officer  
Lori LaPonte, Chief Financial Officer  
James M. Tullo, Deputy Director  
Jocelyn Linse, Executive Assistant  
Terri Alkon, Administrative Assistant  
Amy Illardo, Administrative Assistant  
Annette Eaderesto, Esq., Counsel to the Agency  
William F. Weir, Esq., Transaction Counsel  
Howard R. Gross, Esq., Transaction Counsel

After the meeting had been duly called to order, the Chairman announced that among the purposes of the meeting was to consider and take action on the authorization of the assignment and assumption of the Agency’s LAX Hotel, LLC/Amneal Pharmaceuticals of New York, LLC 2012 Facility, the execution of documents with respect thereto and the continued leasing of the facility to NM AMNL, L.L.C.

The following resolution was duly moved, seconded, discussed and adopted with the following members voting:

Voting Aye

Voting Nay

Braun  
Grucci  
Callahan  
Scheidt  
Pollakusky  
Trotta

RESOLUTION OF THE TOWN OF BROOKHAVEN  
INDUSTRIAL DEVELOPMENT AGENCY APPROVING THE  
ASSIGNMENT AND ASSUMPTION OF A CERTAIN  
INDUSTRIAL DEVELOPMENT FACILITY FROM LAX  
HOTEL, LLC, A CALIFORNIA LIMITED LIABILITY  
COMPANY TO NM AMNL, L.L.C, A CALIFORNIA LIMITED  
LIABILITY COMPANY AND APPROVING THE FORM,  
SUBSTANCE AND EXECUTION OF RELATED  
DOCUMENTS

WHEREAS, by Title 1 of Article 18-A of the General Municipal Law of the State of New York, as amended, and Chapter 358 of the Laws of 1970 of the State of New York, as amended from time to time (collectively, the “**Act**”), the Town of Brookhaven Industrial Development Agency (the “**Agency**”), was created with the authority and power among other things, to assist with the acquisition of certain industrial development projects as authorized by the Act; and

WHEREAS, the Agency has previously provided its assistance to LAX Hotel, LLC, a California limited liability company (the “**Original Company**”) and Amneal Pharmaceuticals of New York, LLC, a limited liability company organized and existing under the laws of the State of Delaware (the “**Sublessee**”), in (i) the acquisition of an approximately 37.8 acre parcel of land located at 50 Horseblock Road, Yaphank, Town of Brookhaven, New York (the “**Land**”), upon which there is an existing 121,017 square foot building, and upon which there is proposed to be constructed a three-story approximately 352,544 square foot expansion, the components of which are: First Floor (a) an approximately 9,703 square foot first floor office and employee space, (b) an approximately 85,723 square foot manufacturing area, (c) an approximately 118,152 square foot warehousing area, (d) an approximately 25,287 square foot technical area, and Second Floor (e) an approximately 13,575 square foot office and 12,783 square foot laboratory area, and (f) an approximately 69,132 square foot manufacturing area; Third Floor (g) an approximately 18,189 square foot research and development area; and (h) the construction and equipping of an approximately 6,088 square foot on-site sewerage industrial waste treatment plant to process approximately 32,500 gallons/day of industrial waste flow and approximately 22,000 gallons/day domestic waste flow (collectively the “**Improvements**”), and the acquisition and installation of certain equipment not part of the Equipment (as such term is defined in the Equipment Lease Agreement, dated as of October 1, 2012 (the “**Equipment Lease Agreement**”), between the Agency and the Sublessee (the “**Facility Equipment**”; and, together with the Land and Improvements, the “**Company Facility**”), leased by the Agency to the Company, for further sublease by the Company to, and used by the Sublessee; and (iv) the acquisition and installation of certain Equipment potentially including, but not limited to, blenders, high shear mixers, fluid bed processors, community mills, laser equipment, compression tablet pressers, D-Dusters, metal detectors, hardness testers, weight variation machines, capsulation machines, polishers, weight sorting machines, analytical scales, coding process equipment, air control systems, packing lines including fully automated vision systems, soft gelatin manufacturing equipment, homogenized mixers, soft gel capsulation machines, drying tunnels, sorting equipment, inks, laser printing machines, FVAC systems, temperature and humidity control systems, air compressors, ionized water and dust collection systems, hi-los facilities, laboratory equipment, HPLC, GC, LC,

spectrometer, material management software and ERP, a stainless steel ballasted racking system, high-efficiency invertors and a solar panel system to be installed on the roof-top to include approximately 1250 solar panels (collectively, the “**Equipment**”); and, together with the Company Facility, the “**Facility**”), which Equipment is leased by the Agency to the Sublessee and used by the Sublessee for the development, manufacturing and warehousing of generic drugs as well as other uses in connection with the operation of the Facility, including but not limited to the executive and administrative office space (collectively, the “**Project**”); and

WHEREAS, the Agency previously acquired title to the Land pursuant to a certain Bargain and Sale Deed, dated October 18, 2012 (the “**Deed**”), from the Original Company to the Agency and the Deed was recorded in the Suffolk County Clerk’s office; and

WHEREAS, the Agency previously acquired title to the Facility Equipment pursuant to a certain Bill of Sale, dated October 18, 2012 (the “**Facility Equipment Bill of Sale**”), from the Original Company to the Agency; and

WHEREAS, the Agency previously acquired title to the Equipment pursuant to a certain Equipment Bill of Sale, dated October 18, 2012 (the “**Equipment Bill of Sale**”), from the Sublessee to the Agency; and

WHEREAS, the Agency agreed to lease the Company Facility (as defined in the hereinafter defined Lease Agreement) to the Original Company pursuant to the Lease Agreement, dated as of October 1, 2012 (the “**Lease Agreement**”), between the Agency and the Company, such that title will remain in the Agency throughout the Lease Term (as such term is defined in the Lease Agreement); and

WHEREAS, the Agency agreed to lease the Equipment (as defined in the hereinafter defined Equipment Lease Agreement) to the Sublessee pursuant to the Equipment Lease Agreement, dated as of October 1, 2012 (the “**Equipment Lease Agreement**”), by and between the Agency and the Sublessee, and said Equipment Lease Agreement expired by its terms on August 31, 2017; and

WHEREAS, the Agency and the Sublessee entered into an Agency Compliance Agreement, dated as of October 1, 2012 (the “**Agency Compliance Agreement**”), wherein the Agency and the Sublessee set forth certain representations with respect to the Facility; and

WHEREAS, the Original Company subleased the Company Facility to the Sublessee upon the terms and conditions set forth in the Sublease Agreement, dated October 18, 2012 (the “**Original Sublease Agreement**”), by and between the Original Company, as sublessor and the Sublessee, as sublessee; and

WHEREAS, the Agency, the Company and the Sublessee entered into an Environmental Compliance and Indemnification Agreement, dated as of October 1, 2012 (the “**Environmental Compliance and Indemnification Agreement**”), pursuant to which the Company and the Sublessee made certain representations to the Agency with respect to the environmental condition of the Facility; and

WHEREAS, the Agency, the Company and the Sublessee entered into a Payment In Lieu of Taxes Agreement, dated as of October 1, 2012 (the “**PILOT Agreement**”), pursuant to which the Agency provided provision for payments-in-lieu-of-taxes and such assessments by the Company and the Sublessee; and

WHEREAS, the Agency, the Company and the Sublessee entered into a Recapture Agreement, dated as of October 1, 2012 (the “**Recapture Agreement**”), pursuant to which the Agency has the right to recapture certain economic benefits and assistance granted to the Company and the Sublessee upon the terms and conditions set forth in the Recapture Agreement; and

WHEREAS, NM AMNL, L.L.C., a California limited liability company or another entity formed or to be formed by NM AMNL, L.L.C., or the principals thereof (collectively, the “**Assignee**”), has now requested the Agency’s consent to the (i) assignment by the Original Company of all of its rights, title, interest, duties, liabilities and obligations under the Lease Agreement, the Environmental Compliance and Indemnification Agreement, the PILOT Agreement and the Recapture Agreement, and certain other agreements in connection with the Facility to the Assignee and the assumption by the Assignee of all of such rights, title, interest, duties, liabilities and obligations of the Original Company, and (ii) the release of the Original Company from any further liability with respect to the Facility, subject to certain requirements of the Agency, all pursuant to the terms of an Assignment, Assumption and Amendment Agreement, to be dated as of February 1, 2021, or such other date as may be determined by the Chairman, Chief Executive Officer and counsel to the Agency (the “**Assignment and Assumption Agreement**”), by and among the Agency, the Original Company and the Assignee; and

WHEREAS, the Lease Agreement will be assigned by the Original Company to the Assignee pursuant to a certain Assignment and Assumption of Lease Agreement, to be dated as of February 1, 2021, or such other date as may be determined by the Chairman, Executive Director and counsel to the Agency (the “**Assignment of Lease Agreement**”), by and between the Original Company and the Assignee, and consented to by the Agency; and

WHEREAS, the Lease Agreement, PILOT Agreement, Recapture Agreement, and Environmental Compliance and Indemnification Agreement as assigned, shall be amended and restated pursuant to a certain Amended and Restated Lease and Project Agreement, dated as of February 1, 2021 or such other date as may be determined by the Chairman, Chief Executive Officer, Deputy Executive Director and counsel to the Agency (the “**Amended and Restated Lease Agreement**”), by and between the Agency, as lessor, and the Company, as lessee, and a memorandum of such Amended and Restated Lease Agreement, shall be recorded in the Suffolk County Clerk’s office; and

WHEREAS, the Agency and the Assignee will enter into such other documents upon advice of counsel, in both form and substance, as may be reasonably required to effectuate the assignment and assumption of the Facility (together with the Assignment and Assumption Agreement, the Assignment of Lease, and the Amended and Restated Lease Agreement, the “**Assignment Documents**”); and

WHEREAS, pursuant to Section 9.3 of the Lease Agreement, the Lease Agreement may be assigned by the Original Company, in whole or in part, with the prior written consent of the Agency; and

WHEREAS, the Act authorizes and empowers the Agency to promote, develop, encourage and assist projects such as the Facility and to advance the job opportunities, health, general prosperity and economic welfare of the people of the State of New York; and

WHEREAS, the Assignee has requested the Agency's financial assistance in the form of exemptions from mortgage recording taxes for one or more mortgages (the "**Mortgages**"), securing an amount presently estimated to be \$75,000,000 but not to exceed \$80,000,000, corresponding to mortgage recording tax exemptions presently estimated to be \$562,500 but not to exceed \$600,000, in connection with the financing of the acquisition, construction and equipping of the Facility and any future financing, refinancing or permanent financing of the costs of the acquisition, construction and equipping of the Facility; and

WHEREAS, as of the date hereof, the Agency has made no determination as to whether it will authorize the execution by the Agency of the Mortgages or the exemptions from mortgage recording taxes thereon, and will consider whether it will grant such authorizations at a future Agency board meeting; and

WHEREAS, the Agency consents to hold a public hearing (the "**Hearing**") so that all persons with views in favor of or opposed to either the financial assistance contemplated by the Agency or the location or nature of the Facility, could be heard; and

WHEREAS, notice of the Hearing will be given and will be substantially in the form annexed hereto as Exhibit A; and

WHEREAS, the report of the Hearing will be substantially in the form annexed hereto as Exhibit B; and

WHEREAS, subject to the Agency holding the Hearing, and the execution and delivery of the Assignment and Assumption Agreement, the Assignment of Lease, the Amended and Restated Lease Agreement and the other required Assignment Documents, the Agency will consent to the assignment by the Original Company to the Assignee and the assumption by the Assignee of all of the Original Company's rights, title, interest, duties, liabilities and obligations under the Lease Agreement, the Environmental Compliance and Indemnification Agreement, the PILOT Agreement, the Recapture Agreement and the Facility and the Agency will thereafter lease the Facility to the Assignee; and

WHEREAS, subject to the Agency holding the Hearing, the Agency contemplates that it will provide financial assistance to the Assignee in the form of continued abatement of real property taxes (as set forth in the PILOT Schedule attached as Exhibit C hereto) pursuant to terms of the Lease Agreement and as assigned by the Original Company to the Assignee in accordance with the Assignment and Assumption Agreement and the Amended and Restated Lease Agreement, consistent with the policies of the Agency; and

WHEREAS, the Agency has given due consideration to the application of the Assignee and to representations by the Assignee that the proposed Facility is either an inducement to the Assignee to maintain and expand the Facility in the Town of Brookhaven or is necessary to maintain the competitive position of the Assignee in its industry; and

WHEREAS, the Act authorizes and empowers the Agency to promote, develop, encourage and assist projects such as the Facility and to advance the job opportunities, health, general prosperity and economic welfare of the people of the State of New York; and

WHEREAS, the Original Company and the Assignee have agreed to indemnify the Agency against certain losses, claims, expenses, damages and liabilities that may arise in connection with the transaction contemplated by the Assignment and Assumption Agreement.

NOW, THEREFORE, BE IT RESOLVED by the Agency (a majority of the members thereof affirmatively concurring) as follows:

Section 1. Subject to the provisions of this resolution, the Agency hereby finds and determines:

(a) By virtue of the Act, the Agency has been vested with all powers necessary and convenient to carry out and effectuate the purposes and provisions of the Act and to exercise all powers granted to it under the Act; and

(b) The Facility constitutes a “project”, as such term is defined in the Act; and

(c) The execution and delivery of the Assignment Documents and the leasing of the Facility to the Assignee will promote and maintain the job opportunities, health, general prosperity and economic welfare of the citizens of the Town of Brookhaven, Suffolk County and the State of New York and improve their standard of living and thereby serve the public purposes of the Act; and

(d) The execution and delivery of the Assignment Documents and the continued leasing of the Facility is reasonably necessary to induce the Assignee to maintain and expand its business operations in the State of New York; and

(e) Based upon representations of the Assignee and counsel to the Assignee, the Facility continues to conform with the local zoning laws and planning regulations of the Town of Brookhaven, Suffolk County and all regional and local land use plans for the area in which the Facility is located; and

(f) It is desirable and in the public interest for the Agency to lease the Facility to the Assignee; and

(g) It is desirable and in the public interest for the Agency to consent to the execution and delivery of the Assignment Documents providing for the assignment by the Original Company of all of its rights, title, interest, duties, liabilities and obligations under the Lease Agreement, the Environmental Compliance and Indemnification Agreement, the

PILOT Agreement, the Recapture Agreement and the Facility to the Assignee and the assumption by the Assignee of all of such rights, title, interest, duties, liabilities and obligations of the Original Company under the Lease Agreement, the Environmental Compliance and Indemnification Agreement, the PILOT Agreement, the Recapture Agreement; and

(h) The Assignment and Assumption Agreement, the Assignment of Lease, the Amended and Restated Lease Agreement and the Assignment Documents to which the Agency is a party will be effective instruments whereby the Original Company will assign all of its rights, title, interest, duties, liabilities and obligations under the Lease Agreement, the Environmental Compliance and Indemnification Agreement, the PILOT Agreement, the Recapture Agreement and the Facility to the Assignee and the Assignee will assume all of such rights, title, interest, duties, liabilities and obligations of the Original Company under the Lease Agreement, the Environmental Compliance and Indemnification Agreement, the PILOT Agreement, the Recapture Agreement and the Facility with the consent of the Agency.

Section 2. Subject to the provisions of this resolution, the Agency has assessed all material information included in connection with the Assignee's application for financial assistance, and such information has provided the Agency a reasonable basis for its decision to provide the financial assistance described herein to the Assignee.

Section 3. Subject to the provisions of this resolution, and subject to the holding of the Hearing, and in consequence of the foregoing, the Agency hereby determines to: (i) consent to the assignment by the Original Company of all of its rights, title, interest, duties, liabilities and obligations pertaining to the Facility under the Lease Agreement to the Assignee and the assumption by the Assignee of all of such rights, title, interest, duties, liabilities and obligations of the Original Company pursuant to the Assignment and Assumption Agreement, (ii) execute, deliver and perform the Assignment and Assumption Agreement, (iii) execute, deliver and perform the Assignment of Lease, (iv) execute, deliver and perform the Amended and Restated Lease Agreement and (iii) execute and deliver the other Assignment Documents to which the Agency is a party.

Section 4. Subject to the provisions of this resolution, and subject to the holding of the Hearing, the Agency is hereby authorized to consent to the assignment by the Original Company of all of its rights, title, interest, duties, liabilities and obligations under the Lease Agreement and the Facility to the Assignee and the assumption by the Assignee of all of such rights, title, interest, duties, liabilities and obligations of the Original Company pursuant to the Assignment and Assumption Agreement, the Assignment of Lease, and the Amended and Restated Lease Agreement and to do all things necessary or appropriate for the accomplishment thereof, and all acts heretofore taken by the Agency with respect to such assignment and assumption are hereby approved, ratified and confirmed.

Section 5. Subject to the provisions of this resolution, the Agency hereby authorizes and approves the following economic benefits to be granted to the Assignee in the form of continued abatement of real property taxes (as set forth in the PILOT Schedule attached as Exhibit C hereto) pursuant to the terms of the Lease Agreement and as assigned

by the Original Company to the Assignee in accordance with the Assignment and Assumption Agreement, the Assignment of Lease, and the Amended and Restated Lease Agreement, consistent with the policies of the Agency.

Section 6. Subject to the provisions of this resolution, the Assignee is hereby notified that it will be required to comply with Section 875 of the Act. The Assignee shall be required to agree to the terms of Section 875 pursuant to the Lease Agreement, as assigned and amended. The Assignee is further notified that the tax exemptions and abatements provided pursuant to the Act are subject to termination and recapture of benefits pursuant to Sections 859-a and 875 of the Act and the recapture provisions of the Recapture Agreement as amended and restated by the Amended and Restated Lease Agreement.

Section 7. Subject to the provisions of this resolution and the holding of the Hearing, the form and substance of the Assignment and Assumption Agreement, the Assignment of Lease, the Amended and Restated Lease Agreement and the Assignment Documents to which the Agency is a party (each in substantially the forms presented to or approved by the Agency and which, prior to the execution and delivery thereof, may be redated and renamed) are hereby approved.

Section 8.

(a) Subject to the provisions of this resolution and the holding of the Hearing, the Chairman, the Chief Executive Officer of the Agency or any member of the Agency are hereby authorized, on behalf of the Agency, to execute and deliver the Assignment and Assumption Agreement, the Assignment of Lease, the Amended and Restated Lease Agreement, and the other Assignment Documents to which the Agency is a party, all in substantially the forms thereof presented to this meeting with such changes, variations, omissions and insertions as the Chairman, the Chief Executive Officer of the Agency or any member of the Agency shall approve, and such other related documents as may be, in the judgment of the Chairman and counsel to the Agency, necessary or appropriate to effect the transactions contemplated by this resolution (hereinafter collectively called the “**Agency Documents**”). The execution thereof by the Chairman, the Chief Executive Officer of the Agency or any member of the Agency shall constitute conclusive evidence of such approval.

(b) The Chairman, the Chief Executive Officer of the Agency or any member of the Agency are further hereby authorized, on behalf of the Agency, to designate any additional Authorized Representatives of the Agency (as defined in and pursuant to the Lease Agreement).

Section 9. Subject to the provisions of this resolution, the officers, employees and agents of the Agency are hereby authorized and directed for and in the name and on behalf of the Agency to do all acts and things required or provided for by the provisions of the Agency Documents, and to execute and deliver all such additional certificates, instruments and documents, pay all such fees, charges and expenses and to do all such further acts and things as may be necessary or, in the opinion of the officer, employee or agent acting, desirable and proper to effect the purposes of the foregoing resolution and to cause compliance by the



Agency with all of the terms, covenants and provisions of the Agency Documents binding upon the Agency.

Section 10. Subject to the provisions of this resolution, any expenses incurred by the Agency with respect to the Facility shall be paid by the Assignee. The Assignee agrees to pay such expenses and further agrees to indemnify the Agency, its members, directors, employees and agents and hold the Agency and such persons harmless against claims for losses, damage or injury or any expenses or damages incurred as a result of action taken by or on behalf of the Agency in good faith with respect to the Facility.

Section 11. This resolution shall take effect immediately.



## EXHIBIT A

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### NOTICE OF PUBLIC HEARING

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NOTICE IS HEREBY GIVEN that due to the Novel Coronavirus (COVID-19) Emergency State and Federal bans on large meetings or gatherings and pursuant to Governor Cuomo's Executive Order 202.1 issued on March 12, 2020, as amended to date, permitting local governments to hold public hearings by telephone and video conference and/or similar device, the Public Hearing scheduled for February 22, 2021, at 10:00 a.m., local time, being held by the Town of Brookhaven Industrial Development Agency (the "**Agency**"), in accordance with the provisions of Article 18-A of the New York General Municipal Law will be held electronically via conference call instead of a public hearing open for the public to attend. PLEASE NOTE THE SPECIAL PUBLIC HEARING LOGISTICS AND INSTRUCTIONS INCLUDED AT THE END OF THIS NOTICE

The Agency has previously provided its assistance to LAX Hotel, LLC, a California limited liability company (the "**Original Company**") and Amneal Pharmaceuticals of New York, LLC, a limited liability company organized and existing under the laws of the State of Delaware (the "**Sublessee**"), in (i) the acquisition of an approximately 37.8 acre parcel of land located at 50 Horseblock Road, Yaphank, Town of Brookhaven, New York (the "**Land**"), upon which there is an existing 121,017 square foot building, and upon which there is proposed to be constructed a three-story approximately 352,544 square foot expansion, the components of which are: First Floor (a) an approximately 9,703 square foot first floor office and employee space, (b) an approximately 85,723 square foot manufacturing area, (c) an approximately 118,152 square foot warehousing area, (d) an approximately 25,287 square foot technical area, and Second Floor (e) an approximately 13,575 square foot office and 12,783 square foot laboratory area, and (f) an approximately 69,132 square foot manufacturing area; Third Floor (g) an approximately 18,189 square foot research and development area; and (h) the construction and equipping of an approximately 6,088 square foot on-site sewerage industrial waste treatment plant to process approximately 32,500 gallons/day of industrial waste flow and approximately 22,000 gallons/day domestic waste flow (collectively the "**Improvements**"), and the acquisition and installation of certain equipment not part of the Equipment (as such term is defined in the Equipment Lease Agreement, dated as of October 1, 2012 (the "**Equipment Lease Agreement**"), between the Agency and the Sublessee (the "**Facility Equipment**"; and, together with the Land and Improvements, the "**Company Facility**"), leased by the Agency to the Company, for further sublease by the Company to, and used by the Sublessee; and (iv) the acquisition and installation of certain Equipment potentially including, but not limited to, blenders, high shear mixers, fluid bed processors, community mills, laser equipment, compression tablet pressers, D-Dusters, metal detectors, hardness testers, weight variation machines, capsulation machines, polishers, weight sorting machines, analytical scales, coding process equipment, air control systems, packing lines including fully automated vision systems, soft gelatin manufacturing equipment, homogenized mixers, soft gel capsulation machines, drying tunnels, sorting equipment, inks, laser printing machines, FVAC systems, temperature and humidity control systems, air compressors, ionized water and dust collection systems, hi-los facilities, laboratory equipment, HPLC, GC, LC, spectrometer, material management software and ERP, a stainless steel ballasted racking system, high-efficiency invertors and a solar panel system to be installed on the roof-top to include approximately 1250 solar panels (collectively, the "**Equipment**"); and, together with the

Company Facility, the “**Facility**”), which Equipment is leased by the Agency to the Sublessee and the Sublessee uses the Facility for the development, manufacturing and warehousing of generic drugs as well as other uses in connection with the operation of the Facility, including but not limited to the executive and administrative office space (collectively, the “**Project**”).

The Original Company has now requested the Agency’s consent to the (i) assignment by the Original Company of all of its rights, title, interest, duties, liabilities and obligations under the Lease Agreement, the Environmental Compliance and Indemnification Agreement, the PILOT Agreement and the Recapture Agreement, and certain other agreements in connection with the Facility to NM AMNL, L.L.C., a California limited liability company or another entity formed or to be formed by NM AMNL, L.L.C., or the principals thereof (collectively, the “**Assignee**”), and the assumption by the Assignee of all of such rights, title, interest, duties, liabilities and obligations of the Original Company, and (ii) the release of the Original Company from any further liability with respect to the Facility, subject to certain requirements of the Agency, all pursuant to the terms of an Assignment, Assumption and Amendment Agreement, to be dated as of February 1, 2021, or such other date as may be determined by the Chairman, Chief Executive Officer and counsel to the Agency (the “**Assignment and Assumption Agreement**”), by and among the Agency, the Original Company and the Assignee, a certain Assignment and Assumption of Lease Agreement, to be dated as of February 1, 2021, or such other date as may be determined by the Chairman, Executive Director and counsel to the Agency (the “**Assignment of Lease Agreement**”), by and between the Original Company and the Assignee, and consented to by the Agency, and a certain Amended and Restated Lease and Project Agreement, dated as of February 1, 2021 or such other date as may be determined by the Chairman, Chief Executive Officer, Deputy Executive Director and counsel to the Agency (the “**Amended and Restated Lease Agreement**”), by and between the Agency, as lessor, and the Company, as lessee. All terms used herein and not defined are defined in Schedule A of the Lease Agreement, dated as of October 1, 2012 (the “**Lease Agreement**”). All terms used herein and not defined are defined in Schedule A of the Lease Agreement, dated as of October 1, 2012 (the “**Lease Agreement**”). The Facility will be owned by the Assignee and will continue to be operated and/or managed by the Sublessee.

The Agency contemplates that it will provide financial assistance to the Assignee in the form of exemptions from mortgage recording taxes in connection with the financing or any subsequent refinancing of the Facility and continued abatement of real property taxes pursuant to terms of the Lease Agreement and as assigned by the Original Company to the Assignee in accordance with the Assignment and Assumption Agreement, the Assignment of Lease, and the Amended and Restated Lease Agreement, all consistent with the uniform tax exemption policies (“**UTEP**”) of the Agency.

A representative of the Agency will, at the above-stated time and place, hear and accept written comments from all persons with views in favor of or opposed to either the proposed financial assistance to the Assignee or the location or nature of the Facility. Prior to the hearing, all persons will have the opportunity to review on the Agency’s website (<https://brookhavenida.org/>), the application for financial assistance filed by the Assignee with the Agency and an analysis of the costs and benefits of the proposed Facility.

Members of the public may listen to the Public Hearing, and comment on the Project and the benefits to be granted by the Agency to the Assignee during the Public Hearing, by calling (712) 770-5505 and entering access code 884-124. Comments may also be submitted to the

Issuer in writing or electronically. Minutes of the Public Hearing will be transcribed and posted on the Issuer's website.

Dated: February 12, 2021

TOWN OF BROOKHAVEN INDUSTRIAL  
DEVELOPMENT AGENCY

By: Lisa MG Mulligan  
Title: Chief Executive Officer

EXHIBIT B

MINUTES OF PUBLIC HEARING HELD ON  
FEBRUARY 22, 2021 at 10:00 A.M.

TOWN OF BROOKHAVEN INDUSTRIAL DEVELOPMENT AGENCY  
(LAX HOTEL, LLC/AMNEAL PHARMACEUTICALS OF NEW YORK, LLC  
2012 FACILITY)

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Section 1. Lisa MG Mulligan, Chief Executive Officer of the Town of Brookhaven Industrial Development Agency (the “**Agency**”) called the hearing to order.

Section 2. Lisa MG Mulligan then appointed herself the hearing officer of the Agency, to record the minutes of the hearing.

Section 3. The hearing officer then described the proposed transfer of the real estate, the other financial assistance proposed by the Agency and the location and nature of the Facility as follows:

The Agency has previously provided its assistance to LAX Hotel, LLC, a California limited liability company (the “**Original Company**”) and Amneal Pharmaceuticals of New York, LLC, a limited liability company organized and existing under the laws of the State of Delaware (the “**Sublessee**”), in (i) the acquisition of an approximately 37.8 acre parcel of land located at 50 Horseblock Road, Yaphank, Town of Brookhaven, New York (the “**Land**”), upon which there is an existing 121,017 square foot building, and upon which there is proposed to be constructed a three-story approximately 352,544 square foot expansion, the components of which are: First Floor (a) an approximately 9,703 square foot first floor office and employee space, (b) an approximately 85,723 square foot manufacturing area, (c) an approximately 118,152 square foot warehousing area, (d) an approximately 25,287 square foot technical area, and Second Floor (e) an approximately 13,575 square foot office and 12,783 square foot laboratory area, and (f) an approximately 69,132 square foot manufacturing area; Third Floor (g) an approximately 18,189 square foot research and development area; and (h) the construction and equipping of an approximately 6,088 square foot on-site sewerage industrial waste treatment plant to process approximately 32,500 gallons/day of industrial waste flow and approximately 22,000 gallons/day domestic waste flow (collectively the “**Improvements**”), and the acquisition and installation of certain equipment not part of the Equipment (as such term is defined in the Equipment Lease Agreement, dated as of October 1, 2012 (the “**Equipment Lease Agreement**”), between the Agency and the Sublessee (the “**Facility Equipment**”; and, together with the Land and Improvements, the “**Company Facility**”), leased by the Agency to the Company, for further sublease by the Company to, and used by the Sublessee; and (iv) the acquisition and installation of certain Equipment potentially including, but not limited to, blenders, high shear mixers, fluid bed processors, community mills, laser equipment, compression tablet pressers, D-Dusters, metal detectors, hardness testers, weight variation machines, capsulation machines, polishers, weight sorting machines, analytical scales, coding process equipment, air control systems, packing lines including fully automated vision systems,

soft gelatin manufacturing equipment, homogenized mixers, soft gel capsulation machines, dying tunnels, sorting equipment, inks, laser printing machines, FVAC systems, temperature and humidity control systems, air compressors, ionized water and dust collection systems, hi-los facilities, laboratory equipment, HPLC, GC, LC, spectrometer, material management software and ERP, a stainless steel ballasted racking system, high-efficiency invertors and a solar panel system to be installed on the roof-top to include approximately 1250 solar panels (collectively, the “**Equipment**”); and, together with the Company Facility, the “**Facility**”), which Equipment is leased by the Agency to the Sublessee and used by the Sublessee for the development, manufacturing and warehousing of generic drugs as well as other uses in connection with the operation of the Facility, including but not limited to the executive and administrative office space (collectively, the “**Project**”).

The Original Company has now requested the Agency’s consent to the (i) assignment by the Original Company of all of its rights, title, interest, duties, liabilities and obligations under the Lease Agreement, the Environmental Compliance and Indemnification Agreement, the PILOT Agreement and the Recapture Agreement, and certain other agreements in connection with the Facility to NM AMNL, L.L.C., a California limited liability company or another entity formed or to be formed by NM AMNL, L.L.C., or the principals thereof (collectively, the “**Assignee**”), and the assumption by the Assignee of all of such rights, title, interest, duties, liabilities and obligations of the Original Company, and (ii) the release of the Original Company from any further liability with respect to the Facility, subject to certain requirements of the Agency, all pursuant to the terms of an Assignment, Assumption and Amendment Agreement, to be dated as of February 1, 2021, or such other date as may be determined by the Chairman, Chief Executive Officer and counsel to the Agency (the “**Assignment and Assumption Agreement**”), by and among the Agency, the Original Company and the Assignee, and a certain Assignment and Assumption of Lease Agreement, to be dated as of February 1, 2021, or such other date as may be determined by the Chairman, Executive Director and counsel to the Agency (the “**Assignment of Lease Agreement**”), by and between the Original Company and the Assignee, and consented to by the Agency, and a certain Amended and Restated Lease and Project Agreement, dated as of February 1, 2021 or such other date as may be determined by the Chairman, Chief Executive Officer, Deputy Executive Director and counsel to the Agency (the “**Amended and Restated Lease Agreement**”), by and between the Agency, as lessor, and the Company, as lessee. All terms used herein and not defined are defined in Schedule A of the Lease Agreement, dated as of October 1, 2012 (the “**Lease Agreement**”). The Facility will be owned by the Assignee and will continue to be operated and/or managed by the Sublessee.

The Agency contemplates that it will provide financial assistance to the Assignee in the form of exemptions from mortgage recording taxes in connection with the financing or any subsequent refinancing of the Facility and continued abatement of real property taxes pursuant to terms of the Lease Agreement and as assigned by the Original Company to the Assignee in accordance with the Assignment and Assumption Agreement, the Assignment of Lease, and the Amended and Restated Lease Agreement, all consistent with the uniform tax exemption policies (“**UTEP**”) of the Agency.

4. The hearing officer then opened the hearing for comments from the floor for or against the proposed transfer of the Facility, the other financial assistance proposed by the Agency and the location and nature of the Facility. The following is a listing of the persons heard and a summary of their views:

N/A

5. The hearing officer then asked if there were any further comments, and, there being none, the hearing was closed at 10:30 a.m.





EXHIBIT C

PILOT Schedule

Schedule of payments-in-lieu-of-taxes: Town of Brookhaven, (including any existing incorporated village and any village which may be incorporated after the date hereof, within which the Facility is wholly or partially located), Sachem Central School District, Suffolk County and Appropriate Special Districts

Definitions:

Normal Tax Due = Those payments for taxes and assessments, other than special ad valorem levies, special assessments and service charges against real property located in the Town of Brookhaven (including any existing incorporated village or any village which may be incorporated after the date hereof, within which the Facility is wholly or partially located), Sachem Central School District, Suffolk County which are or may be imposed for special improvements or special district improvements, that the Company would pay without exemption.

<u>Tax Year</u>	<u>Total PILOT Payments</u>
2020/2021	\$403,580
2021/2022	\$417,705
2022/2023	\$432,325
2023/2024	\$447,456

PILOT Payments shall be allocated among the Taxing Authorities in proportion to the amount of real property tax and other taxes which would have been received by each Taxing Authority if the Facility was owned by the Company exclusive of the Agency's leasehold interest.

All annual PILOT Payments as described above shall be payable in two equal semi-annual installments on or prior to January 31 and May 31 of each year of the Lease Term or on such other due dates as may be established from time to time during the Lease Term.

PRELIMINARY RESOLUTION OF THE TOWN OF BROOKHAVEN INDUSTRIAL DEVELOPMENT AGENCY TAKING OFFICIAL ACTION WITH RESPECT TO A FACILITY FOR AMNEAL PHARMACEUTICALS OF NEW YORK, LLC, A DELAWARE LIMITED LIABILITY COMPANY, ON BEHALF OF ITSELF AND/OR THE PRINCIPALS OF AMNEAL PHARMACEUTICALS OF NEW YORK, LLC, AND/OR AN ENTITY FORMED OR TO BE FORMED ON BEHALF OF ANY OF THE FOREGOING AND MAKING CERTAIN FINDINGS AND DETERMINATIONS WITH RESPECT TO THE FACILITY.

WHEREAS, Amneal Pharmaceuticals of New York, LLC, a limited liability company organized and existing under the laws of the State of Delaware, on behalf of Amneal Pharmaceuticals of New York, LLC and/or an entity formed or to be formed on behalf of any of the foregoing (collectively, the “**Company**”) has applied to the Town of Brookhaven Industrial Development Agency (the “**Agency**”), in connection with the acquisition of an approximately 37.8 acre parcel of land located at 50 Horseblock Road, Brookhaven, New York (further identified as tax map parcel: District 0200, Section 81300, Block 0100, Lot 005006, the “**Land**”), upon which there is an existing 110,000 square foot building, and upon which there is a proposed 265,000 square foot expansion, the components of which are a 56,000 square foot manufacturing expansion, a 21,000 square foot packaging expansion, a 116,000 square foot warehouse expansion, a 40,000 square foot research and development expansion, and a 32,000 square foot expansion for executive and administrative offices, together with a 35,000 square foot stand-alone state-of-the-art potent compounds for manufacturing, warehousing, packaging, and research and development (the “**Improvements**”) and to acquire equipment, including, but not limited to, blenders, high share mixers, fluid bed processors, community mills, laser equipment, compression tablet pressers, D-Dusters, metal detectors, hardness testers, weight variation machines, capsulation machines, polishers, weight sorting machines, analytical scales, coding process equipment, air control systems, packing lines including fully automated vision systems, soft gelatin manufacturing equipment, homogenized mixers, soft gel capsulation machines, drying tunnels, sorting equipment, inks, laser printing machines, FVAC systems, temperature and humidity control systems, air compressors, ionized water and dust collection systems, hi-los facilities, laboratory equipment, HPLC, GC, LC, spectrometer, material management software and ERP (collectively, the “**Equipment**”; and with the Land and Improvements, the “**Facility**”), all to be leased by the Agency to the Company, and used by the Company for the development, manufacturing and warehousing of generic drugs as well as executive and administrative office; and

WHEREAS, subject to the provisions of this resolution, the Agency will acquire title to, or a leasehold interest in the Facility and will lease the Facility to the Company, all pursuant to Title 1 of Article 18-A of the General Municipal Law of the State of New York, as amended, and Chapter 358 of the Laws of 1970 of the State of New York, as the same may be amended from time to time (collectively, the “**Act**”); and

WHEREAS, in addition to a straight lease transaction, the Agency, subject to the provisions of this resolution, contemplates that it will provide financial assistance to the Company consistent with the policies of the Agency, in the form of exemptions from mortgage recording taxes in connection with the financing or any subsequent refinancing or permanent financing of the Facility, exemptions from sales and use taxes, and abatement of real property taxes, consistent with the policies of the Agency, to be more particularly described in a final authorizing resolution to be adopted by the Agency prior to the closing of the transactions described herein; and

WHEREAS, the Act authorizes and empowers the Agency to promote, develop, encourage and assist projects such as the Facility and to advance the job opportunities, health, general prosperity and economic welfare of the people of the State of New York; and

WHEREAS, prior to the closing of the transaction described herein, a public hearing (the "**Hearing**") will be held so that all persons with views in favor of or opposed to either the financial assistance contemplated by the Agency or the location or nature of the Facility can be heard; and

WHEREAS, notice of the Hearing will be given prior to such Hearing, and such notice (together with proof of publication) will be substantially in the form annexed hereto as Exhibit A; and

WHEREAS, the minutes of the Hearing are or will be annexed hereto as Exhibit B; and

WHEREAS, the Agency has given due consideration to the application of the Company and to representations by the Company that the proposed transfer of interest in the Facility is either an inducement to the Company to maintain and expand its operations in Ontario County or is necessary to maintain the competitive position of the Company in its industry; and

WHEREAS, the Company has agreed to indemnify the Agency against certain losses, claims, expenses, damages and liabilities that may arise in connection with the transaction contemplated by the leasing of the Facility by the Agency to the Company; and

WHEREAS, pursuant to the State Environmental Quality Review Act (Article 8 of the Environmental Conservation Law) and the regulations adopted pursuant thereto by the Department of Environmental Conservation of the State of New York (collectively, the "**SEQR Act**" or "**SEQR**"), the Agency constitutes a "State Agency"; and

WHEREAS, to aid the Agency in determining whether the Facility may have a significant effect upon the environment, the Company has prepared and submitted to the Agency an Environmental Assessment Form and related documents (the "**Questionnaire**") with respect to the Facility, a copy of which is on file at the office of the Agency; and

WHEREAS, no "Lead Agency" (as such term is defined in the SEQR Act) for the Facility has yet to be named; and

WHEREAS, should the Lead Agency coordinate a review of the Facility, the Agency consents to participate in the coordinated review as an “Involved Agency”; and

WHEREAS, as of the date of this resolution, no determination for the Facility been made under SEQR;

NOW, THEREFORE, BE IT RESOLVED by the Town of Brookhaven Industrial Development Agency (a majority of the members thereof affirmatively concurring) that:

Section 1. At such time as the Company and the Sublessee submit to the Agency all necessary information for the Agency to comply with SEQR (the “**Requisite Materials**”), the Agency will undertake to review such information. If a “Lead Agency” other than the Agency is declared under SEQR, the Agency shall send written notification to such Lead Agency that the Agency is an “involved agency” with respect to the Lead Agency’s SEQR review. Notice of this determination shall be filed to the extent required by the applicable regulations under that Act or as may be deemed advisable by the Chairman, Executive Director or counsel to the Agency.

Section 2. Nothing herein shall be construed as committing the Agency to approve the acquisition, construction, equipping and financing of the Facility until such time as all of the requirements of SEQR have been satisfied and subject further to the Company and the Sublessee obtaining all necessary site plan and zoning approvals required in connection with the acquisition, construction and equipping of the Facility. The actions undertaken pursuant to this resolution shall be limited to contemporaneous environmental, engineering, economic, feasibility and other studies and preliminary planning necessary to formalize the Action as that term is defined under SEQR. No final action may be taken before the Agency has complied with the requirements of SEQR.

Section 3. Counsel to the Agency is authorized and directed to work with Transaction Counsel (Nixon Peabody LLP), to prepare, for submission to the Agency, all documents necessary to effect the transfer of real estate and/or improvements and personal property described in the foregoing resolution.

Section 4. The Chairman, Executive Director, counsel to the Agency and all members of the Agency are hereby authorized and directed (i) to distribute copies of this preliminary resolution to the Company and the Sublessee, and (ii) to do such further things or perform such acts as may be necessary or convenient to implement the provisions of this resolution.

Section 5. This preliminary resolution shall take effect immediately.

STATE OF NEW YORK        )  
  : SS.:  
COUNTY OF SUFFOLK        )

I, the undersigned Secretary of the Town of Brookhaven Industrial Development Agency, DO HEREBY CERTIFY THAT:

I have compared the foregoing copy of a resolution of the Town of Brookhaven Industrial Development Agency (the "Issuer"), with the original thereof on file in the office of the Issuer, and that the same is a true and correct copy of such resolution and of the proceedings of the Issuer in connection with such matter.

Such resolution was passed at a meeting of the Issuer duly convened in public session on March 21, 2012, at the Town of Brookhaven Department of Economic Development, 1 Independence Hill, 3<sup>rd</sup> Floor, Farmingville, New York at which the following members were:

Present:               Frederick C. Braun, III  
                              Gasper C. Celauro  
                              Joseph R. Kessel  
                              Ronald J. LaVita  
                              John Rose  
                              Ann-Marie Scheidt

Absent:                Peter G. Moloney

Also Present:        Lisa M. G. Mulligan, Chief Executive Officer  
                              James Ryan, Chief Financial Officer

The question of the adoption of the foregoing resolution was duly put to vote on roll call, which resulted as follows:

Voting Aye

Voting Nay


Braun  
Celauro  
Kessel  
LaVita  
Rose  
Scheidt

and, therefore, the resolution was declared duly adopted.

The Agreement and the Application are in substantially the form presented to and approved at such meeting.

I FURTHER CERTIFY that (i) all members of the Issuer had due notice of said meeting, (ii) pursuant to Sections 103a and 104 of the Public Officers Law (Open Meetings Law), said meeting was open to the general public and public notice of the time and place of said meeting was duly given in accordance with such Sections 103a and 104, (iii) the meeting in all respects was duly held, and (iv) there was a quorum present throughout.

IN WITNESS WHEREOF, I have hereunto set my hand as of March 21, 2012.

  
Secretary

Date: August 15, 2012

At a meeting of the Town of Brookhaven Industrial Development Agency (the “Agency”), held on August 15, 2012, at 8:00 a.m. local time, the Town of Brookhaven Department of Economic Development, 1 Independence Hill, 3<sup>rd</sup> Floor, Farmingville, New York 11738, the following members of the Issuer were:

Present: Frederick C. Braun, III  
Gasper C. Celauro  
Joseph R. Kessel, Jr.  
Ronald J. LaVita  
Peter G. Moloney  
John Rose  
Ann-Marie Scheidt

Absent:

Also Present: Lisa M. G. Mulligan, Chief Executive Officer  
James Ryan, Chief Financial Officer

After the meeting had been duly called to order, the Chairman announced that among the purposes of the meeting was to consider and take action on certain matters pertaining to the acquisition of a certain industrial development facility more particularly described below (LAX Hotel, LLC/Amneal Pharmaceuticals of New York, LLC 2012 Facility) and the leasing of the facility to LAX Hotel, LLC for further subleasing to Amneal Pharmaceuticals of New York, LLC.

The following resolution was duly moved, seconded, discussed and adopted with the following members voting:

Voting Aye

Voting Nay

Braun  
Celauro  
Kessel  
LaVita  
Moloney  
Rose  
Scheidt



RESOLUTION OF THE TOWN OF BROOKHAVEN INDUSTRIAL DEVELOPMENT AGENCY APPROVING THE APPOINTMENT OF LAX HOTEL, LLC, A CALIFORNIA LIMITED LIABILITY COMPANY AND AMNEAL PHARMACEUTICALS OF NEW YORK, LLC, A DELAWARE LIMITED LIABILITY COMPANY, AS AGENTS OF THE AGENCY FOR THE PURPOSE OF ACQUIRING, CONSTRUCTING, RENOVATING AND EQUIPPING THE FACILITY, APPROVING THE ACQUISITION, CONSTRUCTION, RENOVATION AND EQUIPPING OF A CERTAIN INDUSTRIAL DEVELOPMENT FACILITY FOR LAX HOTEL, LLC AND AMNEAL PHARMACEUTICALS OF NEW YORK, LLC AND APPROVING THE FORM, SUBSTANCE AND EXECUTION OF RELATED DOCUMENTS.

WHEREAS, by Title 1 of Article 18-A of the General Municipal Law of the State of New York, as amended, and Chapter 358 of the Laws of 1970 of the State of New York, as may be amended from time to time (collectively, the "Act"), the Town of Brookhaven Industrial Development Agency (the "Agency"), was created with the authority and power among other things, to assist with the acquisition of certain industrial development projects as authorized by the Act; and

WHEREAS, Amneal Pharmaceuticals of New York, LLC, a limited liability company organized and existing under the laws of the State of Delaware (the "Company") submitted its application requesting the Agency's assistance in the acquisition of an approximately 37.8 acre parcel of land located at 50 Horseblock Road, Brookhaven, New York (further identified as tax map parcel: District 0200, Section 81300, Block 0100, Lot 005006, the "Land"), upon which there is an existing 110,000 square foot building, and upon which there is a proposed 265,000 square foot expansion, the components of which are a 56,000 square foot manufacturing expansion, a 21,000 square foot packaging expansion, a 116,000 square foot warehouse expansion, a 40,000 square foot research and development expansion, and a 32,000 square foot expansion for executive and administrative offices, together with a 35,000 square foot stand-alone state-of-the-art potent compounds for manufacturing, warehousing, packaging, and research and development (the "Improvements") and to acquire equipment, including, but not limited to, blenders, high share mixers, fluid bed processors, community mills, laser equipment, compression tablet pressers, D-Dusters, metal detectors, hardness testers, weight variation machines, capsulation machines, polishers, weight sorting machines, analytical scales, coding process equipment, air control systems, packing lines including fully automated vision systems, soft gelatin manufacturing equipment, homogenized mixers, soft gel capsulation machines, drying tunnels, sorting equipment, inks, laser printing machines, FVAC systems, temperature and humidity control systems, air compressors, ionized water and dust collection systems, hi-los facilities, laboratory equipment, HPLC, GC, LC, spectrometer, material management software and ERP (collectively, the "Equipment"; and with the Land and Improvements, the "Facility"), all to be leased by the Agency to and used by the Company for the development, manufacturing and warehousing of generic drugs as well as executive and administrative office space; and

WHEREAS, in connection with the request by the Company for the Agency's assistance, a public hearing (the "**Hearing**") was held on April 9, 2012, so that all persons with views in favor of or opposed to either the financial assistance contemplated by the Agency or the location or nature of the Facility, could be heard, and such notice (together with proof of publication) was substantially in the form annexed hereto as Exhibit A-1; and

WHEREAS, the minutes of the Hearing are substantially in the form annexed hereto as Exhibit B-1; and

WHEREAS, the Company, by letter dated August 1, 2012 (the "**Letter Amendment**"), notified the Agency of its intent to amend its application for assistance dated November 11, 2011 (the "**Application**"), to reflect that (i) Amneal Pharmaceuticals of New York, LLC, a New York limited liability company will be the sublessee (the "**Sublessee**") of the Facility, (ii) the Company will be LAX Hotel, LLC, a California limited liability company, on behalf of itself and/or the principals of LAX Hotel, LLC and/or an entity formed or to be formed on behalf of any of the foregoing, the lessee of the Facility (collectively, the "**Company**"), (iii) the Sublessee has requested the Agency's assistance in connection with the acquisition of certain equipment (defined below); (iv) the acquisition, construction and equipping of a water sewage plant/solar panels and (v) expansion of the square footage of the Facility (322,000 square feet); and

WHEREAS, the Agency intends to amend its Preliminary Inducement Resolution, dated March 21, 2012 in order to reflect (i) Amneal Pharmaceuticals of New York, LLC, a Delaware limited liability company is the Sublessee of the Facility, (ii) LAX Hotel, LLC, a California limited liability company, on behalf of itself and/or the principals of LAX Hotel, LLC and/or an entity formed or to be formed on behalf of any of the foregoing, (iii) the Sublessee has requested the Agency's assistance in connection with the acquisition of certain Equipment, (iv) the expansion of the square footage of the Facility, (v) the inclusion of an on-site sewerage industrial waste treatment plant as a part of the Facility, and (vi) the addition of certain Equipment including, but not limited to, a solar panel system to be installed on the roof-top to include approximately 1250 solar panels, a stainless steel ballasted racking system and high-efficiency invertors; and

WHEREAS, a subsequent public hearing (the "**Hearing**") was held on August 14, 2012, so that all persons with views in favor of or opposed to the aforementioned revisions could be heard; and

WHEREAS, an amended notice of the Hearing was given on August 3, 2012, and such amended and restated notice (together with proof of publication), was substantially in the form annexed hereto as Exhibit A-2; and

WHEREAS, the minutes of the Hearing are annexed hereto as Exhibit B-2; and

WHEREAS, there was submitted to the Agency a proposal to undertake the providing and leasing of an industrial development facility to LAX Hotel, LLC, a California limited liability company (the "**Company**") and Amneal Pharmaceuticals of New York, LLC, a New York limited liability company (the "**Sublessee**"), requesting that the Agency assist in (i) the

acquisition of an approximately 37.8 acre parcel of land located at 50 Horseblock Road, Yaphank, Town of Brookhaven, New York (collectively, the "**Land**"), upon which there is an existing 110,000 square foot building, and upon which there is proposed to be constructed a three-story approximately 322,000 square foot expansion, the components of which are: First Floor (a) an approximately 13,000 square foot first floor office and employee space; (b) an approximately 65,000 square foot manufacturing area, (c) an approximately 117,000 square foot warehousing area, (d) an approximately 30,000 square foot technical area, and (e) an approximately 4,000 square foot pharmacy; Second Floor (f) an approximately 27,000 square foot office and laboratory area, and (g) an approximately 46,000 square foot warehousing area; Third Floor (h) an approximately 20,000 square foot research and development area; and (ii) an approximately 42,000 square foot stand-alone state-of-the-art facility for manufacturing, warehousing, packaging, and research and development of potent compounds and hormones; (iii) the construction and equipping of an approximately 4,725 square foot on-site sewerage industrial waste treatment plant to process approximately 26,000 gallons/day of industrial waste flow and approximately 22,000 gallons/day domestic waste flow (collectively the "**Improvements**"), and the acquisition and installation of certain equipment not part of the Equipment (as such term is defined in Exhibit A to the Equipment Lease Agreement, dated as of August 1, 2012 (the "**Equipment Lease Agreement**"), between the Agency and Amneal Pharmaceuticals of New York, LLC, a limited liability company (the "**Sublessee**") (the "**Facility Equipment**"; and, together with the Land and Improvements, the "**Company Facility**"), to be leased by the Agency to the Company for further sublease by the Company to, and used by the Sublessee; and (iv) the acquisition and installation of certain Equipment including, but not limited to, blenders, high share mixers, fluid bed processors, community mills, laser equipment, compression tablet pressers, D-Dusters, metal detectors, hardness testers, weight variation machines, capsulation machines, polishers, weight sorting machines, analytical scales, coding process equipment, air control systems, packing lines including fully automated vision systems, soft gelatin manufacturing equipment, homogenized mixers, soft gel capsulation machines, drying tunnels, sorting equipment, inks, laser printing machines, FVAC systems, temperature and humidity control systems, air compressors, ionized water and dust collection systems, hi-los facilities, laboratory equipment, HPLC, GC, LC, spectrometer, material management software and ERP, a stainless steel ballasted racking system, high-efficiency invertors and a solar panel system to be installed on the roof-top to include approximately 1250 solar panels (collectively, the "**Equipment**"), which Equipment is to be leased by the Agency to, and used by, the Sublessee for the development, manufacturing and warehousing of generic drugs as well as executive and administrative office space (the Company Facility and the Equipment collectively referred to herein as the "**Facility**"); and

WHEREAS, the Agency will acquire title to or a leasehold interest in the Company Facility and will lease or sublease the Company Facility to the Company pursuant to a certain Lease Agreement, dated as of August 1, 2012 or such other date as the Chairman, Chief Executive Officer and counsel to the Agency shall agree (the "**Lease Agreement**"), by and between the Agency and the Company; and

WHEREAS, the Company Facility shall be subleased by the Company to the Sublessee pursuant to a Sublease Agreement, dated a date to be determined (the "**Sublease Agreement**"), by and between the Company and the Sublessee; and

WHEREAS, the Equipment will be leased to the Sublessee by the Agency pursuant to the Equipment Lease Agreement; and

WHEREAS, the Agency contemplates that it will provide financial assistance to the Company and the Sublessee, consistent with the policies of the Agency, in the form of exemptions from mortgage recording taxes in connection with the financing or any subsequent refinancing of the Facility, if a mortgage or mortgages are required, and exemptions from sales and use taxes and abatement of real property taxes; and

WHEREAS, as security for a loan or loans from Preferred Bank or a lender not yet determined (collectively, the "Lender"), the Agency and the Company will execute and deliver to the Lender, one or more mortgages, each dated a date to be determined and each from the Company and the Agency to the Lender, collectively, in an amount presently expected to be approximately \$60,000,000 but not to exceed \$66,000,000; and such other loan documents satisfactory to the Agency, upon advice of counsel, in both form and substance, as may be reasonably required by the Lender (collectively, the "Loan Documents"), in connection with the financing, refinancing or permanent financing of the costs of acquiring, constructing and equipping of the Facility; and

WHEREAS, pursuant to Article 8 of the Environmental Conservation Law and the regulations adopted pursuant thereto by the Department of Environmental Conservation of the State of New York (collectively, the "SEQR Act" or "SEQR"), the Agency constitutes a "State Agency"; and

WHEREAS, to aid the Agency in determining whether the Facility may have a significant effect upon the environment, the Company has prepared and submitted to the Agency an Environmental Assessment Form and related documents (the "Questionnaire") with respect to the Facility, a copy of which is on file at the office of the Agency; and

WHEREAS, the Questionnaire has been reviewed by the Agency; and

WHEREAS, based upon the Questionnaire and other information, the Facility constitutes a "Type 1" action under SEQR; and

WHEREAS, the Agency constitutes an "Involved Agency" (as defined in SEQR);

WHEREAS, the Town of Brookhaven Planning Board, as an Involved Agency under SEQR, declared its intent to act as Lead Agency for purposes of review of the Facility under SEQR, and coordinated review with Involved and Interested Agencies; and

WHEREAS, no Involved Agency objected to the Town of Brookhaven Planning Board, acting as Lead Agency for purposes of review of the Facility under SEQR, and therefore, the Town of Brookhaven Planning Board, was the Lead Agency; and

WHEREAS, on August 6, 2012, the Lead Agency, following a coordinated review, determined that the Facility would not have a significant impact on the environment, and adopted a Negative Declaration for the Facility, a copy of which Negative Declaration is attached hereto as Exhibit D; and

WHEREAS, the Applicant has agreed to indemnify the Agency against certain losses, claims, expenses, damages and liabilities that may arise in connection with the transaction contemplated by the transfer of fee title to the Land (as such term is defined in the Lease Agreement) and the Facility to the Agency and the leasing of the Company Facility to the Company and the leasing of the Equipment to the Sublessee; and

NOW, THEREFORE, BE IT RESOLVED by the Town of Brookhaven Industrial Development Agency (a majority of the members thereof affirmatively concurring) that:

Section 1. Based upon the EAF completed by the Company and other representations and information furnished by the Company, the Lead Agency, following coordinated review, determined that, based upon its review of the EAF, the appropriate criteria for determination of significance, and such other and further information which the Lead Agency felt necessary to review, the Facility would not have a "significant effect" on the environment and, therefore an environmental impact statement will not be prepared. That determination constitutes a negative declaration for purposes of SEQR, which is binding on the Agency.

Section 2. The Company and the Sublessee are hereby appointed the true and lawful agents of the Agency to acquire, construct, renovate and equip the Facility on behalf of the Agency, with the authority to delegate their respective status as agents of the Agency to the Company's and the Sublessee's agents, subagents, contractors, subcontractors, suppliers, vendors and other such parties as the Company and the Sublessee may choose. The terms and conditions for the appointment of the Company and the Sublessee as agents of the Agency for the purposes described in this Section 2 are set forth in the form of the attached letter addressed to the Company and the Sublessee, marked as Exhibit C-1 and Exhibit C-2 respectively, to this resolution, which is incorporated herein by reference. The appointment described above includes the following activities as they relate to the acquisition, construction and equipping of the Facility, whether or not the materials, services or supplies described below are incorporated into or become an integral part of the Facility: (i) all purchases, leases, rentals and other uses of tools, machinery and equipment in connection with the acquisition, construction, renovation and equipping of the Facility, (ii) all purchases, rentals, uses or consumption of supplies, materials and services of every kind and description in connection with the acquisition, construction, renovation and equipping of the Facility, and (iii) all purchases, leases, rentals and uses of equipment, machinery and other tangible personal property (including installation costs with respect thereto) installed or placed in, upon or under the Facility, including all repairs and replacements of such property. This agency appointment includes the power to make, execute, acknowledge and deliver any contracts, orders, receipts, writings and instructions, as the stated agents for the Agency, and in general to do all things which may be requisite or proper for completing the Facility, all with the same powers and with the same validity as would the Agency if acting on its own behalf. This agency appointment expressly excludes the Company and the Sublessee from purchasing motor vehicles, including any cars, trucks, vans or buses which are licensed by the Department of Motor Vehicles for use on public highways or streets. The aforesaid appointment of the Company and the Sublessee as agents of the Agency to acquire, construct, renovate and equip the Facility shall expire at the earlier of (A) the completion of such acquisition, construction, renovation and equipping of the



Facility, or (B) such date as the Agency designates; provided however, such appointment may be extended at the discretion of the Chief Executive Officer or the Chairman of the Agency for up to six (6) additional months, in each case or by the Agency Board for any period beyond such six (6) months, upon the written request of the Company if such activities and improvements are not completed by such time.

Section 3. The Agency hereby finds and determines:

(a) By virtue of the Act, the Agency has been vested with all powers necessary and convenient to carry out and effectuate the purposes and provisions of the Act and to exercise all powers granted to it under the Act; and

(b) The Facility constitutes a “project”, as such term is defined in the Act; and

(c) The acquisition, construction, renovation and equipping of the Facility, the leasing of the Facility by the Agency to the Company and the provision of financial assistance, consistent with the policies of the Agency, pursuant to the Act, will promote and maintain the job opportunities, health, general prosperity and economic welfare of the citizens of the Town of Brookhaven and the State of New York and improve their standard of living and thereby serve the public purposes of the Act; and

(d) The acquisition, construction, renovation and equipping of the Facility is reasonably necessary to induce the Company to maintain and expand its business operations in the State of New York; and

(e) Based upon representations of the Applicant and counsel to the Applicant, the Facility conforms with the local zoning laws and planning regulations of the Town of Brookhaven and all regional and local land use plans for the area in which the Facility is located; and

(f) It is desirable and in the public interest for the Agency to lease the Company Facility to the Company and the Equipment to the Sublessee; and

(g) The Lease Agreement will be an effective instrument whereby the Agency leases the Company Facility to the Company; and

(h) The Payment-in-Lieu-of-Tax Agreement, to be dated as of August 1, 2012 or such other date as the Chairman, Chief Executive Officer and counsel to the Agency shall agree (the “**PILOT Agreement**”), by and among the Company, the Sublessee and the Agency, in form satisfactory to the Chairman and counsel to the Agency, will be an effective instrument whereby the Agency sets forth the terms and conditions of the agreement regarding the Company’s and the Sublessee’s payments in lieu of real property taxes; and

(i) The Recapture Agreement, to be dated as of August 1, 2012 or such other date as the Chairman, Chief Executive Officer and counsel to the Agency shall agree (the “**Recapture Agreement**”), by and among the Company, the Sublessee and the Agency, in form satisfactory to the Chairman and counsel to the Agency, will be an effective instrument whereby the Agency, the Company and the Sublessee agree to secure the obligations of the

Company and the Sublessee under the Transaction Documents and describe the circumstances in which the Agency may recapture some or all of the benefits granted to the Company and the Sublessee; and

(j) The Environmental Compliance and Indemnification Agreement, to be dated as of August 1, 2012 or such other date as the Chairman and counsel to the Agency shall agree (the "**Environmental Compliance and Indemnification Agreement**"), from the Company and the Sublessee to the Agency, in form satisfactory to the Chairman and counsel to the Agency, will be an effective instrument whereby the Company and the Sublessee agree to comply with all Environmental Laws (as defined therein) applicable to the Facility and will indemnify and hold harmless the Agency for all liability under all such Environmental Laws; and

(k) The Agency Compliance Agreement, to be dated as of August 1, 2012 or such other date as the Chairman and counsel to the Agency shall agree (the "**Agency Compliance Agreement**"), between the Agency and the Sublessee, in form satisfactory to the Chairman and counsel to the Agency, will be an effective instrument whereby the Sublessee will provide certain assurances to the Agency with respect to the Sublease Agreement; and

(l) The Loan Documents to which the Agency is a party, will be effective instruments whereby the Agency and the Company agree to secure the Loan and assign to the Lender their respective rights under the Lease Agreement (except for Unassigned Rights as defined in such Lease Agreement).

Section 4. In consequence of the foregoing, the Agency hereby determines to: (i) lease the Company Facility to the Company pursuant to the Lease Agreement, (ii) lease the Equipment to the Sublessee pursuant to the Equipment Lease Agreement, (iii) execute, deliver and perform the Lease Agreement, (iv) execute, deliver and perform the Equipment Lease Agreement, (v) execute, deliver and perform the PILOT Agreement, (vi) execute and deliver the Agency Compliance Agreement, (vii) execute and deliver the Environmental Compliance and Indemnification Agreement, (viii) execute and deliver the Agency Compliance Agreement, (ix) grant a mortgage on and security interests in and to the Facility pursuant to the Loan Documents, and (x) execute, deliver and perform the Loan Documents to which the Agency is a party.

Section 5. The Agency is hereby authorized to acquire the Company Facility described in Exhibit A and Exhibit B to the Lease Agreement and the Equipment described in Exhibit A to the Equipment Lease Agreement and to do all things necessary or appropriate for the accomplishment thereof, and all acts heretofore taken by the Agency with respect to such acquisition are hereby approved, ratified and confirmed.

Section 6. The Agency is hereby authorized to acquire the Facility and to do all things necessary or appropriate for the accomplishment thereof, and all acts heretofore taken by the Agency with respect to such acquisition are hereby approved, ratified and confirmed. The Agency is hereby further authorized to execute and deliver the Loan Documents in connection with the financing of the costs of acquiring, constructing and equipping the Facility and any future Loan Documents in connection with any future refinancing or

permanent financing of such costs of acquiring, constructing and equipping of the Facility without the need for any further or future approvals of the Agency.

Section 7.

(a) The Chairman, Vice Chairman, Chief Executive Officer or any member of the Agency are hereby authorized, on behalf of the Agency, to execute and deliver the Lease Agreement, the PILOT Agreement, the Recapture Agreement, the Environmental Compliance and Indemnification Agreement, the Agency Compliance Agreement and the Loan Documents, all in substantially the forms thereof presented to this meeting with such changes, variations, omissions and insertions as the Chairman, Vice Chairman, Chief Executive Officer, or any member of the Agency shall approve, and such other related documents as may be, in the judgment of the Chairman and counsel to the Agency, necessary or appropriate to effect the transactions contemplated by this resolution (hereinafter collectively called the "**Agency Documents**"). The execution thereof by the Chairman, Vice Chairman, Chief Executive Officer, or any member of the Agency shall constitute conclusive evidence of such approval.

(b) The Chairman, Vice Chairman, Chief Executive Officer, or any member of the Agency are further hereby authorized, on behalf of the Agency, to designate any additional Authorized Representatives of the Agency (as defined in and pursuant to the Lease Agreement).

Section 8. The officers, employees and agents of the Agency are hereby authorized and directed for and in the name and on behalf of the Agency to do all acts and things required or provided for by the provisions of the Agency Documents, and to execute and deliver all such additional certificates, instruments and documents, pay all such fees, charges and expenses and to do all such further acts and things as may be necessary or, in the opinion of the officer, employee or agent acting, desirable and proper to effect the purposes of the foregoing resolution and to cause compliance by the Agency with all of the terms, covenants and provisions of the Agency Documents binding upon the Agency.

Section 9. This resolution shall take effect immediately.



STATE OF NEW YORK    )  
                                  : SS.:  
COUNTY OF SUFFOLK    )

I, the undersigned Secretary of the Town of Brookhaven Industrial Development Agency, DO HEREBY CERTIFY:

That I have compared the annexed extract of the minutes of the meeting of the Town of Brookhaven Industrial Development Agency (the "Agency"), including the resolutions contained therein, held on the 15th day of August, 2012, with the original thereof on file in my office, and that the same is a true and correct copy of the proceedings of the Agency and of such resolutions set forth therein and of the whole of said original insofar as the same related to the subject matters therein referred to.

That the Agency Documents contained in this transcript of proceedings are each in substantially the form presented to the Agency and/or approved by said meeting.

I FURTHER CERTIFY that public notice of the time and place of said meeting was duly given to the public and the news media in accordance with the New York Open Meetings Law, constituting Chapter 511 of the Laws of 1976 of the State of New York, that all members of said Agency had due notice of said meeting and that the meeting was in all respects duly held.

IN WITNESS WHEREOF, I have hereunto set my hand as of the 15<sup>th</sup> day of August, 2012.

By:  \_\_\_\_\_  
Secretary

PRELIMINARY RESOLUTION OF THE TOWN OF BROOKHAVEN INDUSTRIAL DEVELOPMENT AGENCY TAKING OFFICIAL ACTION WITH RESPECT TO A FACILITY FOR AMNEAL PHARMACEUTICALS OF NEW YORK, LLC, A DELAWARE LIMITED LIABILITY COMPANY, ON BEHALF OF ITSELF AND/OR THE PRINCIPALS OF AMNEAL PHARMACEUTICALS OF NEW YORK, LLC, AND/OR AN ENTITY FORMED OR TO BE FORMED ON BEHALF OF ANY OF THE FOREGOING AND MAKING CERTAIN FINDINGS AND DETERMINATIONS WITH RESPECT TO THE FACILITY.

WHEREAS, Amneal Pharmaceuticals of New York, LLC, a limited liability company organized and existing under the laws of the State of Delaware, on behalf of Amneal Pharmaceuticals of New York, LLC and/or an entity formed or to be formed on behalf of any of the foregoing (collectively, the “**Company**”) has applied to the Town of Brookhaven Industrial Development Agency (the “**Agency**”), in connection with the acquisition of an approximately 37.8 acre parcel of land located at 50 Horseblock Road, Brookhaven, New York (further identified as tax map parcel: District 0200, Section 81300, Block 0100, Lot 005006, the “**Land**”), upon which there is an existing 110,000 square foot building, and upon which there is a proposed 265,000 square foot expansion, the components of which are a 56,000 square foot manufacturing expansion, a 21,000 square foot packaging expansion, a 116,000 square foot warehouse expansion, a 40,000 square foot research and development expansion, and a 32,000 square foot expansion for executive and administrative offices, together with a 35,000 square foot stand-alone state-of-the-art potent compounds for manufacturing, warehousing, packaging, and research and development (the “**Improvements**”) and to acquire equipment, including, but not limited to, blenders, high share mixers, fluid bed processors, community mills, laser equipment, compression tablet pressers, D-Dusters, metal detectors, hardness testers, weight variation machines, capsulation machines, polishers, weight sorting machines, analytical scales, coding process equipment, air control systems, packing lines including fully automated vision systems, soft gelatin manufacturing equipment, homogenized mixers, soft gel capsulation machines, drying tunnels, sorting equipment, inks, laser printing machines, FVAC systems, temperature and humidity control systems, air compressors, ionized water and dust collection systems, hi-los facilities, laboratory equipment, HPLC, GC, LC, spectrometer, material management software and ERP (collectively, the “**Equipment**”; and with the Land and Improvements, the “**Facility**”), all to be leased by the Agency to the Company, and used by the Company for the development, manufacturing and warehousing of generic drugs as well as executive and administrative office; and

WHEREAS, subject to the provisions of this resolution, the Agency will acquire title to, or a leasehold interest in the Facility and will lease the Facility to the Company, all pursuant to Title 1 of Article 18-A of the General Municipal Law of the State of New York, as amended, and Chapter 358 of the Laws of 1970 of the State of New York, as the same may be amended from time to time (collectively, the “**Act**”); and

WHEREAS, in addition to a straight lease transaction, the Agency, subject to the provisions of this resolution, contemplates that it will provide financial assistance to the Company consistent with the policies of the Agency, in the form of exemptions from mortgage recording taxes in connection with the financing or any subsequent refinancing or permanent financing of the Facility, exemptions from sales and use taxes, and abatement of real property taxes, consistent with the policies of the Agency, to be more particularly described in a final authorizing resolution to be adopted by the Agency prior to the closing of the transactions described herein; and

WHEREAS, the Act authorizes and empowers the Agency to promote, develop, encourage and assist projects such as the Facility and to advance the job opportunities, health, general prosperity and economic welfare of the people of the State of New York; and

WHEREAS, prior to the closing of the transaction described herein, a public hearing (the "**Hearing**") will be held so that all persons with views in favor of or opposed to either the financial assistance contemplated by the Agency or the location or nature of the Facility can be heard; and

WHEREAS, notice of the Hearing will be given prior to such Hearing, and such notice (together with proof of publication) will be substantially in the form annexed hereto as Exhibit A; and

WHEREAS, the minutes of the Hearing are or will be annexed hereto as Exhibit B; and

WHEREAS, the Agency has given due consideration to the application of the Company and to representations by the Company that the proposed transfer of interest in the Facility is either an inducement to the Company to maintain and expand its operations in Ontario County or is necessary to maintain the competitive position of the Company in its industry; and

WHEREAS, the Company has agreed to indemnify the Agency against certain losses, claims, expenses, damages and liabilities that may arise in connection with the transaction contemplated by the leasing of the Facility by the Agency to the Company; and

WHEREAS, pursuant to the State Environmental Quality Review Act (Article 8 of the Environmental Conservation Law) and the regulations adopted pursuant thereto by the Department of Environmental Conservation of the State of New York (collectively, the "**SEQR Act**" or "**SEQR**"), the Agency constitutes a "State Agency"; and

WHEREAS, to aid the Agency in determining whether the Facility may have a significant effect upon the environment, the Company has prepared and submitted to the Agency an Environmental Assessment Form and related documents (the "**Questionnaire**") with respect to the Facility, a copy of which is on file at the office of the Agency; and

WHEREAS, no "Lead Agency" (as such term is defined in the SEQR Act) for the Facility has yet to be named; and

WHEREAS, should the Lead Agency coordinate a review of the Facility, the Agency consents to participate in the coordinated review as an “Involved Agency”; and

WHEREAS, as of the date of this resolution, no determination for the Facility been made under SEQR;

NOW, THEREFORE, BE IT RESOLVED by the Town of Brookhaven Industrial Development Agency (a majority of the members thereof affirmatively concurring) that:

Section 1. At such time as the Company and the Sublessee submit to the Agency all necessary information for the Agency to comply with SEQR (the “**Requisite Materials**”), the Agency will undertake to review such information. If a “Lead Agency” other than the Agency is declared under SEQR, the Agency shall send written notification to such Lead Agency that the Agency is an “involved agency” with respect to the Lead Agency’s SEQR review. Notice of this determination shall be filed to the extent required by the applicable regulations under that Act or as may be deemed advisable by the Chairman, Executive Director or counsel to the Agency.

Section 2. Nothing herein shall be construed as committing the Agency to approve the acquisition, construction, equipping and financing of the Facility until such time as all of the requirements of SEQR have been satisfied and subject further to the Company and the Sublessee obtaining all necessary site plan and zoning approvals required in connection with the acquisition, construction and equipping of the Facility. The actions undertaken pursuant to this resolution shall be limited to contemporaneous environmental, engineering, economic, feasibility and other studies and preliminary planning necessary to formalize the Action as that term is defined under SEQR. No final action may be taken before the Agency has complied with the requirements of SEQR.

Section 3. Counsel to the Agency is authorized and directed to work with Transaction Counsel (Nixon Peabody LLP), to prepare, for submission to the Agency, all documents necessary to effect the transfer of real estate and/or improvements and personal property described in the foregoing resolution.

Section 4. The Chairman, Executive Director, counsel to the Agency and all members of the Agency are hereby authorized and directed (i) to distribute copies of this preliminary resolution to the Company and the Sublessee, and (ii) to do such further things or perform such acts as may be necessary or convenient to implement the provisions of this resolution.

Section 5. This preliminary resolution shall take effect immediately.

STATE OF NEW YORK        )  
  : SS.:  
COUNTY OF SUFFOLK        )

I, the undersigned Secretary of the Town of Brookhaven Industrial Development Agency, DO HEREBY CERTIFY THAT:

I have compared the foregoing copy of a resolution of the Town of Brookhaven Industrial Development Agency (the "Issuer"), with the original thereof on file in the office of the Issuer, and that the same is a true and correct copy of such resolution and of the proceedings of the Issuer in connection with such matter.

Such resolution was passed at a meeting of the Issuer duly convened in public session on March 21, 2012, at the Town of Brookhaven Department of Economic Development, 1 Independence Hill, 3<sup>rd</sup> Floor, Farmingville, New York at which the following members were:

Present:               Frederick C. Braun, III  
                              Gasper C. Celauro  
                              Joseph R. Kessel  
                              Ronald J. LaVita  
                              John Rose  
                              Ann-Marie Scheidt

Absent:                Peter G. Moloney

Also Present:        Lisa M. G. Mulligan, Chief Executive Officer  
                              James Ryan, Chief Financial Officer

The question of the adoption of the foregoing resolution was duly put to vote on roll call, which resulted as follows:

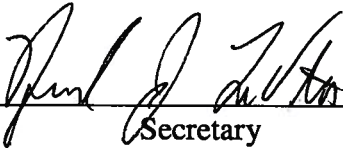
<u>Voting Aye</u>	<u>Voting Nay</u>
Braun	
Celauro	
Kessel	
LaVita	
Rose	
Scheidt	

and, therefore, the resolution was declared duly adopted.

The Agreement and the Application are in substantially the form presented to and approved at such meeting.

I FURTHER CERTIFY that (i) all members of the Issuer had due notice of said meeting, (ii) pursuant to Sections 103a and 104 of the Public Officers Law (Open Meetings Law), said meeting was open to the general public and public notice of the time and place of said meeting was duly given in accordance with such Sections 103a and 104, (iii) the meeting in all respects was duly held, and (iv) there was a quorum present throughout.

IN WITNESS WHEREOF, I have hereunto set my hand as of March 21, 2012.

  
Secretary